

ADOPTED

MEMORANDUM

SEPTEMBER 28, 1989

TO: BOSTON REDEVELOPMENT AUTHORITY AND
STEPHEN COYLE, DIRECTOR

FROM: THOMAS O'MALLEY, ASSISTANT DIRECTOR
NEIGHBORHOOD HOUSING AND DEVELOPMENT

SUBJECT: HOUSING CREATION PROPOSALS SUBMITTED BY 99 STATE
STREET LIMITED PARTNERSHIP

SUMMARY:

99 STATE STREET LIMITED PARTNERSHIP, DEVELOPER OF 75 STATE STREET IN DOWNTOWN BOSTON, HAS SUBMITTED THREE HOUSING CREATION PROPOSALS THAT WOULD COMMIT \$1,705,000 OF THE PRESENT VALUE OF ITS HOUSING LINKAGE PAYMENTS TO SUPPORT THE CREATION OF AFFORDABLE HOUSING IN THE CITY OF BOSTON. THE FOLLOWING CONTRIBUTIONS MADE BY 99 STATE STREET LIMITED PARTNERSHIP ARE COMMITTED TO: (1) THE BOWDITCH SCHOOL LIMITED PARTNERSHIP IN THE AMOUNT OF \$685,000 FOR THE CREATION OF 45 AFFORDABLE UNITS OF SINGLE ROOM OCCUPANCY ("SRO") HOUSING IN THE BOWDITCH SCHOOL IN JAMAICA PLAIN; (2) THE 1734 WASHINGTON STREET LIMITED PARTNERSHIP IN THE AMOUNT OF \$270,000 TO CREATE 33 AFFORDABLE UNITS OF SRO HOUSING IN THE LODGING HOUSE IN THE SOUTH END; AND (3) URBAN EDGE IN THE AMOUNT OF \$750,000 FOR THE REDEVELOPMENT OF 211 UNITS OF COOPERATIVE HOUSING ON SCATTERED SITES IN JAMAICA PLAIN, OF WHICH 200 WILL BE AFFORDABLE. APPROVAL OF THESE HOUSING CREATION PROPOSALS IS REQUESTED.

On June 18, 1985, 99 State Street Limited Partnership ("99 State") entered into a Development Impact Project Agreement ("DIP Agreement") with the Boston Redevelopment Authority (the "BRA") regarding the downtown Boston 75 State Street development. According to the DIP Agreement, 99 State may satisfy its housing linkage obligation to the City of Boston through a series of twelve (12) annual payments of \$256,250 each to the Neighborhood Housing Trust (the "Trust") or through an approved Housing Creation Proposal, or through some combination of the two options.

99 State has submitted three Housing Creation Proposals which together utilize \$1,705,000 of the present value of the remaining eleven linkage payments due in accordance with their DIP Agreement. The contributions will be made to: (1) the Bowditch School Limited Partnership for the Bowditch School; (2) the 1734 Washington Street Limited Partnership for the Lodging House; and (3) Urban Edge for scattered sites in Jamaica Plain.

1) The Paul Sullivan Housing Trust is a wholly owned subsidiary of the Pine Street Inn. It has formed the Bowditch School Limited Partnership to develop the former Bowditch School into a lodging house for homeless adults. The Bowditch School, a three story brick building on a 26,536 square foot footprint located on Green Street in Jamaica Plain, has been vacant for ten years. The project will include 30 SRO units, an additional 15 rooms structured into five separate apartments, 3 units for manager and staff living quarters, and two large rooms for community and classroom use.

Financing for total development cost of this project, at \$4,555,587, will be a combination of loans from public agencies, tax syndication proceeds, and \$610,000 in equity provided by the developer. The project has been voted \$685,000 by the Neighborhood Housing Trust. Construction has started, and occupancy is projected for January, 1990.

2. The 1734 Washington Street Limited Partnership general partner is a subsidiary of the Paul Sullivan Housing Trust/Pine Street Inn, formed for the purpose of renovating the Lodging House, located at 1734 Washington in the South End. This currently vacant and dilapidated five story brick building will consist of 31 SROs, with kitchen, laundry, dining, and common room facilities for all residents, and two staff units. Two to three units will be handicapped accessible. The ground floor, in keeping with the original architectural elements, will house 2,800 square feet of commercial space in two storefronts.

Financing will be provided by a BRA acquisition loan, syndication proceeds, a HIF loan, the requested \$270,000 in linkage, a BRA Loan, and Abandoned Housing funds, for a total development cost of \$2,101,571. Construction has begun, and occupancy is projected for Spring, 1991.

3. The Urban Edge Capital Improvements project consists of four separate developments, each on several sites. The preservation will affect 211 units, all but 11 of which are currently and will continue to be rented by Low- and Moderate-Income families. Urban Edge currently owns all of the project sites through a variety of subsidiary partnerships. The project will involve complete analysis of the buildings' conditions, upgrading of major systems where necessary, improvement of the buildings' energy efficiency, and rehabilitation of each units' overall condition, as necessary.

Financing will be provided by FNMA's Designated Underwriter Program, ABCD, and the \$750,000 linkage award. Construction is projected to begin by December, 1989, and preservation activities are scheduled for completion by March, 1991 for the phased development plan.

On September 28, 1989 the Neighborhood Housing Trust voted to recommend approval to the BRA of the 99 State Housing Creation Proposals. A copy of the vote is attached.

It is therefore requested that the Housing Creation Proposals submitted by 99 State Limited Partnership for three Housing Creation Proposals as follows: 1) the Bowditch School Limited Partnership for the Bowditch School in Jamaica Plain; (2) the 1734 Washington Street Limited Partnership for the Lodging House in the South End; and (3) Urban Edge, for scattered sites in Jamaica Plain, which together will utilize \$1,705,000 of the present value of the linkage exaction due in accordance with their DIP Agreement, be approved as submitted. Further, any funds due under the terms of the DIP Agreement dated and signed by and between the BRA and 99 State Street Limited Partnership not utilized in conjunction with the terms and conditions of the following votes will revert to the Neighborhood Housing Trust.

Appropriate votes follow:

VOTED:

That the BRA finds after consideration of evidence submitted at a public hearing on this date, September 28, 1989, regarding the Housing Creation Proposals submitted by 99 State Street Limited Partnership that: (1) 99 State Street Limited Partnership is obligated to pay \$3,075,000 in twelve (12) annual payments of \$256,250 as Development Impact Project Exactions pursuant to Article 26 of the Boston Zoning Code and a Development Impact Project Agreement for the 75 State Street development entered into by 99 State Street Limited Partnership and the Boston Redevelopment Authority on June 18, 1985, of which eleven (11) payments remain outstanding; and (2) that 99 State Street Limited Partnership submitted on August 10, 1989 three Housing Creation Proposals pursuant to Section 26-2(3)(b) of the Boston Zoning Code; (3) that the Neighborhood Housing Trust reviewed said proposals on September 28, 1989 and voted to recommend approval to the BRA with regard thereto; (4) that the Trust voted said funds to be held in escrow pending executed Housing Creation Agreements; (5) that the Bowditch School Limited Partnership proposes to develop the former Bowditch School into a lodging house for homeless adults, to include 30 SRO units, an additional 15 rooms structured into five separate apartments, 3 units for manager and staff living quarters, and two large rooms for community and classroom use; (6) that 1734 Washington Street Limited Partnership will renovate the Lodging House, into 31 SROs, with kitchen, laundry, dining, and common room facilities for all residents, and two staff units, with two to three units to be handicapped accessible; (7) that the Urban Edge

Capital Improvements project consists of four separate developments, each on several sites, which will renovate and preserve 211 units, all but of 11 of which are currently and will continue to be rented by Low and Moderate Income families; (8) that a gap in the financing of each of said housing projects exists; (9) that but for a commitment of \$685,000 (present value) to the Bowditch School, \$270,000 (present value) to the Lodging House, and \$750,000 (present value) to Urban Edge, said housing would not be built and would not be affordable; and (10) that the application of DIP Exactions from 99 State Street Limited Partnership proposed in its Housing Creation Proposals is necessary and appropriate;

AND FURTHER VOTED:

That the Housing Creation Proposals submitted to the Neighborhood Housing Trust by 99 State Street Limited Partnership on August 10, 1989 are hereby approved as submitted together with any conditions recommended in the Trust's vote of September 28, 1989 and with such minor modifications to the proposal as may be necessary (a copy of the vote appended hereto and incorporated by reference herein);

AND FURTHER VOTED:

That the Director be authorized to enter into, or to delegate to the Public Facilities Department the authority to enter into, as the case may be, Housing Creation Agreements pursuant to Section 9 of the Housing Creation Regulations and such other documents as may be necessary to implement the Housing Creation Proposals to ensure the successful development by: 1) the Bowditch School Limited Partnership of the Bowditch School; (2) the 1734 Washington Street Limited Partnership of the Lodging House; and (3) Urban Edge of scattered site housing, which together will utilize \$1,705,000 of the present value of the linkage, each on such terms and conditions as the Director may deem necessary and/or appropriate to the successful implementation of said documents.

VOTE OF THE NEIGHBORHOOD HOUSING TRUST

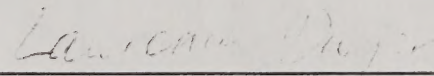
Approved at a Meeting of the Neighborhood Housing Trust

September 28, 1989

VOTED: That the Neighborhood Housing Trust recommend to the Boston Redevelopment Authority that the Housing Creation Proposals as submitted and generally described by 75 State Limited Partnership as follows: 1) the Bowditch School Limited Partnership for 45 units of affordable SRO housing the Bowditch School in Jamaica Plain in the amount of a \$685,000 loan; (2) the 1734 Washington Street Limited Partnership for 33 units of SRO housing of which 31 units are affordable at the Lodging House in the South End in the amount of a \$270,000 loan; and (3) Urban Edge, for 211 units of cooperative housing of which 200 are affordable on scattered sites in Jamaica Plain in the amount of a \$750,000 loan, which together will utilize \$1,705,000 of the present value of the linkage exaction be approved as submitted, together with such other minor amendments as may be required to implement said affordable housing developments. Further, any funds due under the terms of the DIP Agreement dated and signed by and between the 75 State Street Limited Partnership and the Authority not utilized in conjunction with the terms and conditions of the following votes will revert to the Neighborhood Housing Trust. And further, the loan terms and conditions, where applicable, shall be negotiated between either the Public Facilities Department or the Boston Redevelopment Authority, as the case may be, and the recipient housing developer, and said loan terms and conditions shall be set out as agreed to in the respective Housing Creation Agreements between the parties.

Passed unanimously 9/28/89.

Attested to on behalf of the
Neighborhood Housing Trust



Lawrence Dwyer, Chair

